85-5695/

WORKPLACE INNOVATION CENTRE

RECOMMENDATIONS OF THE INTERIM BOARD

January, 1985.

January 11, 1985

The Hon. Mary Beth Dolin
The Hon. Eugene Kostyra

The Interim Board is honoured to submit the report of its recommendations on the mission, organization, board of directors and operating plan for the Workplace Innovation Centre.

These recommendations flow from ten meetings held between September and December - meetings in which members enthusiastically drew on their diverse experiences to evolve this vision for the Centre.

The Interim Board wholeheartedly supports the creation of the Workplace Innovation Centre and urges the Government to move quickly to bring it into being, so that it may contribute to addressing the human dimensions of technological change in the workplace.

Respectfully submitted:

Dan Archer
Chairperson
Interim Board

DA*drc

WORKPLACE INNOVATION CENTRE

MEMBERS OF INTERIM BOARD

Dan Archer
Senior Policy Advisor
Manitoba Research Council

Lilian McIlwain
*Manitoba Advisory Council on the Status of Women

Mary Eady
Deputy Minister
Manitoba Labour

Bill Moorby
President
Canada West Shoe Manufacturing Inc.

Maggie Hadfield
Communication Workers of Canada
*M.F.L. National Representative

Keith Norton
Canadian Union of Public Employees
*C.L.C.

Brian Hunt
United Steelworkers of America
*M.F.L.

Joel Novek
Department of Sociology
University of Winnipeg
*MRC Council Member

Stuart Kaye
Associate Professor
of Psychology
University of Manitoba

Ted Glass
Manager, Utility Sales
Westinghouse Canada Inc.
*Winnipeg Chamber of Commerce

Dave McCulloch
Director, Federal/Provincial
Programs Coordination Branch
Manitoba Employment Services
and Economic Security

Jerry Smith
Director Canadian Operations
Sperry Inc.

CONTENTS

		Page
	Covering Letter	(i)
	Members of Interim Board	(ii)
1.	Introduction	1
2.	Summary and Conclusions	3
3.	Role & Mission	7
	3.1 Needs	7
	3.2 Mission	9
	3.3 Functions	9
	3.4 Target Groups	11
4.	Organization	12
	4.1 Operating Principles	12
	4.2 Proposed Structure	14
	4.3 Components	15
	4.4 Location	17
5.	Board of Directors	18
	5.1 Powers & Functions	18
	5.2 Composition	19
	5.3 Voting	21
	5.4 Chair	21
	5.5 Term	22
	5.6 Meetings	22
	5.7 Remuneration	23
6.	Implementation	24
	6.1 First Year Plan	24
	6.2 Mid-Term Objectives	24
	6.3 Funding Sources	25
	6.4 Budget	26
	Appendix	28
	Minority Opinion	28

1. INTRODUCTION

In August 1984, various organizations and individuals were approached to sit on the Interim Board for a new project referred to as the Workplace Innovation Centre.

The Manitoba Government had developed some preliminary ideas that the Centre would address the human dimensions of technological change in the workplace. It recognized, however, that a cooperative effort would be required to define the focus and functions, and to develop an organization which would be both credible and useful.

The Interim Board met ten times between September 6th and December 13, 1984 - meetings in which relevant background articles and information were reviewed and members drew on their own experiences to establish how the Centre might fulfill the people needs of new technologies.

The Board also met with representatives from some technology-related centres and projects in Manitoba and individual members were able to draw on discussions held with representatives of other Canadian centres.

The report confirms a strong need to address the human dimensions of technological change, including equipment, processes and the organization of work. Technological development must be accompanied by human development.

The needs identification led logically into defining the mission and functions that will best address the challenges that will likely be faced by every workplace in the province.

The Board of Directors is structured to bring a broad-based, yet representative, group together - to introduce innovative ideas, to work together cooperatively and to reach consensus on actions the Centre might undertake.

The report gives detail on the first year staffing and budget but recognizes that the mid-term objectives should remain open so that the Centre can respond to needs as determined by the permanent Board and the clients of the Centre.

Minority opinions are recorded in the Appendix.

The Interim Board drew heavily on the time and resources of a secretariat provided through resources of the Department of Labour and the Department of Industry, Trade and Technology. The Board wishes to extend its gratitude to Jim Nykoluk, Margaret Candler and Doreen Canning.

2. SUMMARY AND CONCLUSIONS

The major recommendations of the Interim Board of the Workplace Innovation Centre are as follows:

Role and Mission:

1. The Interim Board confirms a clear need for a cooperative approach in introducing innovative practices into the workplace to address the human aspects of technological change.

2. To address this need, the Workplace Innovation Centre will:-

   - involve business, labour, education, government and the community in new ways of working cooperatively together, and

   - promote the principle of equitable distribution of the risk and rewards of technological change.

3. To accomplish this mission, the recommended functions of the Centre are:

   - needs identification
   - research
   - information
   - advocacy
   - advisory
   - consulting
   - training
   - interface

4. Target groups will include:

   . employers, employees and/or their organizations responsible for, or affected by, technological change.

   . rapidly changing sectors of the economy

   . groups at particular risk or disproportionately affected.

   . groups responsible for adjustment measures.

Organization:

5. Principles for operating the Centre are:

   . a practical orientation
   . independence from government
   . cooperative effort
   . small and effective organization
   . flexibility
   . use of outside sources of expertise
   . work with related organizations.

6. The Workplace Innovation Centre should be established by Act of the Legislative Assembly of Manitoba as a non-profit corporate body.

7. The Centre will be managed by an Executive Director reporting through an Executive Committee to a Board of Directors responsible to the designated Ministers.

8. The Centre should be located in Winnipeg and consideration should be given to accessibility, visibility and proximity to related technological activity.

Board of Directors:

9. The Board will have powers and functions to direct and control the affairs of the Centre.

10. The Board will total fourteen members appointed by the Ministers selected from nominees presented primarily from business and labour organizations, but also including other constituencies:

Business	4
Labour	4
Education	2
Provincial Gov't	2
Members at Large	2
	14

At least two members should come from outside Winnipeg.

11. In reaching decisions, consensus will be the objective but, where a vote is required, all members will have the right to vote except the Government representatives.

12. The Board will be co-chaired, one person selected from the Labour members and one person from the Business members.

13. Board members will serve a staggered two-year term and be eligible for re-appointment after stepping down at least one year.

14. In the first year, meetings will be required monthly; thereafter at least quarterly. A quorum will be 50% of appointed voting members, including at least one each from Labour and Business.

15. Board members will not receive remuneration but will be reimbursed for expenses, including loss of wages.

Implementation:

16. In the first year, staffing should not exceed five (including the Director) and many of the services are likely to be provided from outside sources.

    A first year start-up budget is estimated at $400,000.

17. In response to need, the Centre will move to expand the scope of its operations.

    The budget for each of the second and third years is estimated at $550,000.

18. Initially, the Centre will have to be funded entirely by the Provincial Government but will in time seek alternative sources of funding.

19. The Government should commit financing for a minimum of three years to give the Centre time to establish credibility.

3. ROLE AND MISSION

3.1 Need

In the decades ahead, technological change poses threats and opportunities for Manitoba in a magnitude and scope far greater than we have previously experienced. Technology has a double edged impact - it is capable of raising productivity to help business become more competitive while at the same time it can displace large number of employees from their existing jobs and be disruptive of their working and social lives. Clearly, the people of the province want Manitoba's businesses to be productive and competitive; an equal concern is to ensure that the human aspects of technological change are addressed.

Each major technological innovation requires a prolonged process of social and economic adjustment, and the transition phase always spawns some hardship. In recent years fears have been exacerbated by poor macro-economic performance and structural differences in the nature of economic change. More effective cooperation among government, business and labour is necessary to assist in allaying these fears and to facilitate progress.

At the present time, the Province lacks a mechanism to bring about cooperation among the major participants and to resolve human-related issues that will be encountered with the introduction of new technology.

A cooperative approach is required to promote innovation in the workplace, recognizing that the traditional and sometimes extreme roles, attitudes and views of labour, management, education and government must evolve to cope with situations brought about by rapid technological growth.

At a general level, the public needs to be assured that government is concerned about the human aspects of technological change. A forum is required where employers and employees can meet to discuss common concerns, identify needs, and develop new ways of working together.

At the level of the workplace, there is a need for information, resources and experiences to deal constructively with the challenges that will be faced with technological adaptation. Effective approaches have to be introduced so that people can cope effectively with changes in work patterns, conditions, skill requirements and relationships.

Therefore, there is a need to ensure that technological change will result in the improvement of both jobs and the competitive position of the Manitoba economy. Those who will use the technologies must be involved in a positive way in their implementation and there must be a cooperative commitment to address human issues such as job security, working conditions, education and training, participation, and the sharing of risks and rewards.

The Workplace Innovation Centre (W.I.C.) is intended to meet these needs and address the human dimensions of technological change in the workplace.

3.2 MISSION

The mission recommended for the Workplace Innovation Centre is as follows:

The Workplace Innovation Centre will address the human dimensions of technological change by:

- involving business, labour, education, government and the community in new ways of working cooperatively together,

- promoting the principle of equitable distribution of the risks and rewards of technological change.

3.3 Major Functions of the Centre

The major functions of the Workplace Innovation Centre will be as follows:

(i) Needs Identification

To identify, assess and priorize the human needs, problems and opportunities of technological change.

(ii) Research

To investigate and evaluate the human aspects of equipment, systems and working procedures.

(iii) Information

To acquire socio-technical information and make this available in an understandable way.

(iv) Advocacy

To promote cooperation and harmony between business, labour, education and government with the objective of building a greater degree of trust among the parties. The W.I.C. will advocate and promote the necessary changes and practices required for successful application of technology in the workplace, emphasizing the need for the sharing of risks and rewards of such changes.

(v) Advisory

To advise all affected groups on the development of policies related to the introduction of new technologies and to provide leadership in practical application of such policies.

(vi) Consulting

To provide information, advisory and assessment services to groups and specific workplaces in which new technologies are to be introduced.

(vii) Training

To address the needs for training by providing either consulting or referral services to companies and individuals involved in, or affected by, new technologies.

(viii) Interface

To promote better communication and cooperation by interfacing with organizations in the business, labour, education, government and community sectors.

3.4 Target Groups

While the services of the Centre will be available to all individuals and organizations, it is proposed that the primary focus would be on the following target groups:

(i) At the level of the workplace, the employers, the employees and/or their organizations responsible for, or affected by, technological change.

(ii) At a general level, rapidly changing sectors of the economy.

(iii) Those whose jobs are at risk due to displacement caused by technological change.

(iv) Special needs groups who will be disproportionately affected by technological change, such as women, older workers, handicapped and natives.

(v) At a societal level, those outside the workplace who will be responsible for adjustment measures such as training, job creation and income security.

4. ORGANIZATION

4.1 Operating Principles

The Workplace Innovation Centre will play a major role in the future technological development of Manitoba. If the center is to be a success, it is necessary that the major partners continue to work cooperatively together to define ongoing policies and procedures of the Centre.

The structure and operation of the Centre will be governed by agreed-to principles:

(i) A Practical Orientation

To achieve and sustain credibility, the Centre should maintain a practical, problem-solving approach.

(ii) Independence from Government

The Centre should operate as an autonomous organization, at arms-length from government. The government's involvement will be to provide funding and to be a resource for information and analysis.

(iii) Cooperative Effort

The Centre will be an organization created through the joint efforts of labour, management, education, government and the community. Thus, it will be the role of the centre to reflect not only the commonality and diversity of these groups but also to reflect that all groups are partners in the operations of the Centre - working cooperatively to respond to technological change.

(iv) Small and Effective Organization

The Centre should consist of a small, highly skilled team working as an effective organization.

(vi) Flexibility

The organization, will be flexible and able to:

- move quickly to establish credibility and progress,
- respond to a variety of issues, and
- adjust to changing needs.

(vii) Outside Sources of Expertise

Provision will be made for the Centre to use outside sources of expertise,who will share and work towards the mission of the Centre.

Examples might include:

- the engagement of consultants to carry out particular projects
- the use of academic resources, to carry out research
- the use of task forces, with broader outside representation, to address particular topics.

(viii) Work with Related Organizations

The Centre will establish working relationships with related groups - provincially, nationally and internationally - such as:

- Technology Centres
- Education Organizations
- Consultants
- Canadian Labour Market and Productivity Centre
- Government Agencies
- International Labour Organization.

4.2 Proposed Structure

To ensure that the Centre can be operated in a manner compatible with its mission and operating principles, it is important that the Centre:

- operate, and be perceived to, operate autonomously from government

- have a degree of permanence to allow the Board to address the longer term challenges of technological change

We, therefore, recommend that the Workplace Innovation Centre be established by Act of the Legislative Assembly of Manitoba as a non-profit corporate body.

The statute should permit the Centre to have the powers and freedom to appoint staff and to allocate & administer its resources. In this regard, the act creating the Centennial Centre Corporation is recommended as a useful model.

4.3 Components

The organizational structure will be designed to include the following components, as illustrated in the organizational chart, page 16.

(i) Board of Directors

The Board of Directors will be responsible for defining policies and providing direction. The Board will report activities of the Centre to the designated Ministers annually.

Further details of Board of Directors is provided in Section 5.

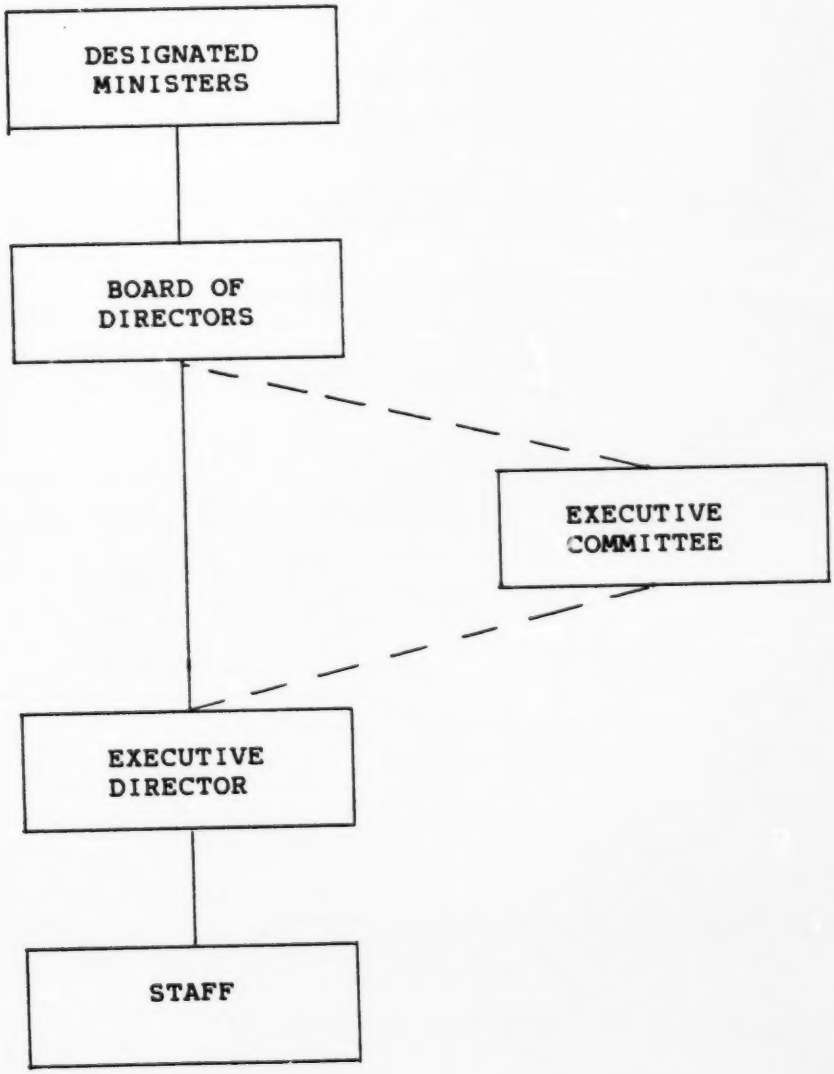
(ii) Executive Committee

The Board shall appoint an Executive Committee composed of up to five members, including the co-chairpersons. The Executive Director will be an non-voting ex-officio member of the Committee.

The frequency of meetings and powers of the Executive will be designated by the Board.

WORKPLACE INNOVATION CENTRE

ORGANIZATIONAL STRUCTURE



(iii) Executive Director

The Executive Director will be responsible for the overall management of the Centre.

The director's main functions will be:

- to respond and report to the Board of Directors
- to develop and implement programs consistent with the mission
- to establish and maintain a highly skilled and effective team
- to establish cooperative relationships with external organizations.

4.4 Location

Winnipeg is the only logical location for the Centre, given the concentration of workplaces in the city. However, the Board of Directors and staff should seek ways of making the services of the Centre available province-wide. This will be assisted if some Board members are selected from outside Winnipeg.

In determining the location, consideration should be given to:

(i) accessibility
(ii) visibility
(iii) proximity to related technological activity.

5. BOARD OF DIRECTORS

5.1 Powers and Functions:

The Board of Directors will direct and control the business and affairs of the Centre, and have the power and responsibility to:

(i) Make rules governing its own procedures

(ii) Approve projects and programs, respond to initiatives of the members, detail objectives and monitor the activities of the Centre.

(iii) Amend and approve budgets.

(iv) Set financial controls.

(v) Set funding formulas and guidelines for alternative sources of funding.

(vi) Approve the remuneration and terms of employment, including the responsibilities and authorities of the Director and staff.

(vii) Establish and determine the responsibility of the Executive and other committees.

(viii) Report activities of the Centre to the designated Ministers on an annual basis.

5.2 Composition

The Board of Directors will be composed primarily of labour and management representatives and a fair representation from other constituencies in Manitoba - namely government, education and the community, the last being referred to as "members at large".

The Board will total fourteen members distributed as follows:

Business	4
Labour	4
Education	2
Provincial Gov't.	2
Members at large	2
	14

At least two Directors should come from outside the City of Winnipeg.

The guidelines for appointing nominees will be as follows:

(i) Business Representation (4 positions)

The business representatives of the Board will be appointed by the Ministers selected from nominees presented by each of the following organizations:

- Winnipeg Chamber of Commerce
- Manitoba Chamber of Commerce
- Canadian Manufacturers' Association-Manitoba Div.
- Association of Professional Engineers of Manitoba

(ii) Labour Representation (4 positions)
The labour representatives of the Board will be appointed by the Ministers selected from nominees presented by the Manitoba Federation of Labour.

(iii) Educational Representation (2 positions)
The educational representatives of the Board will be appointed by the Ministers, selected from nominees presented by post-secondary educational institutions of Manitoba. One member will be chosen from universities and the other member from community colleges.

Each Business, Labour and Education organization to be approached for nominees will be asked to nominate representatives from a cross-section of vocations, sectors, gender and backgrounds.

(iv) Government Representation (2 positions)
The government representatives of the Board will be selected and appointed by the Ministers responsible.

(v) Members at Large (2 positions)
The members at large will be appointed by the Ministers upon recommendation by the Board of nominees presented by special interest groups particularly affected by technological change, such as women, natives, handicapped and minorities.

5.3 Voting:

The main objective of the Board will be to try and reach consensus on all issues of concern.

In the event that a vote is required, all members of the Board shall have the right to vote with the exception of the Government representatives. A tie vote shall result in the defeat of a resolution.

5.4 Chair

The majority of the Interim Board favours a Board which will be co-chaired:

(i) one person to be selected by and from those directors appointed to represent business, and

(ii) one person to be selected by and from those directors appointed to represent labour,

in two separate elections.

The Co-Chairs will act as alternate Chairpersons for all meetings of the Board. Where one Co-Chairperson is absent, the other will serve as Chairperson.

Chairpersons will serve a term of two years, if necessary extendable by one year upon recommendation of the Board.

5.5 Term

To maintain continuity of the Board while at the same time introducing new members with fresh ideas, Board members will serve a staggered two-year term.

On the initial Board, the Ministers will appoint one half the Board members to a normal two-year term and the other half to a three-year term.

Board members will be eligible for re-appointment after stepping down for at least one year.

Any vacancy on the Board of Directors will be filled in accordance with the guidelines in Section 5.2.

5.6 Meetings

Meetings of the Board shall be held monthly during the first year of operations and, thereafter, at least quarterly.

Notice of time and place of each meeting of the Board will be given to each Director in writing sent by ordinary mail or by electronic communication not less than one week before the time when the meeting is to be held.

The quorum for any meeting of Directors shall be fifty percent (50%) of the appointed voting members of the Board, of which at least one Director shall be from the business representatives and at least one Director from the labour representatives.

5.7 Remuneration

Members of the Board of Directors shall not receive any remuneration for their services but will be reimbursed for their out-of-pocket expenses of attending meetings of the Board of Directors or of any committee thereof, including loss of wages.

6. Implementation

6.1 First-Year Plan

The immediate objective will be to fill the position of Executive Director, after which the Centre should seek its location and phase-in its core staff.

Staffing should be limited in the early stages and it is envisaged that the staff complement in the first year should not exceed five, including the Director.

At this stage, many of the functions of the Centre would likely be carried out by contracts with outside sources.

6.2 Mid-Term Objectives

The permanent Board, in conjunction with the Executive Director, should have the prerogative for determining mid-term priorities and objectives for the Centre.

In response to the needs, as determined by the Board and the clients of the Centre, it is likely that the Centre will expand the scope of its operations, pursue complementary funding, and foster relationships with other groups.

The Interim Board is of the opinion that it would take some time for the Centre to establish credibility and recommends against having overly optimistic expectations for early results. The government should make a commitment to finance the Centre for a minimum of three years.

On an ongoing basis, the permanent Board should re-examine the appropriateness of its approaches to ensure the centre:

- maintains flexibility
- continues to meet the needs of its clients
- continues to be "innovative".

6.3 Funding Sources

In the initial stages, the Centre will be funded entirely by government.

In time, the Centre will seek alternative complementary sources of funding.

6.4 Budget

During the first year, the Centre's financial requirements will depend on factors which are not known at this time, such as location and start-up date.

However, a preliminary estimate for the first year budget is $400,000, as detailed on page 27 and based on the following assumptions:

- the Centre will locate and pay for its own premises (2000 sq ft at $12.50)
- the Centre will equip its offices (capital cost)
- five staff will be in place for an average of one-half year, for a total of 2.5 person years
- benefits equal 25% of salaries.

The budget for each of the second and third years is $550,000, as detailed on page 27 and based on the following assumptions:

- the Centre will be fully operational with no further capital requirements
- the staff complement will total six, with the addition of an administrative support person.

WORKPLACE INNOVATION CENTRE

PRELIMINARY BUDGET

($000 1985)

	YEAR		
	1	2	3
	85/86	86/87	87/88
Capital Costs			
Office Furniture & Equipment	60.0	-	-
Operating Costs			
Salaries	100.0	230.0	230.0
Benefits	25.0	57.5	57.5
Travel, Communications, Car, Advertising	35.0	35.0	35.0
Outside Consultants/Studies	50.0	100.0	100.0
Library, Office Supplies	70.0	70.0	70.0
Rent	25.0	25.0	25.0
Miscellaneous (Board Expenses, Meetings, etc.)	35.0	32.5	32.5
Sub-Total Operating Costs	340.0	550.0	550.0
T O T A L	400.0	550.0	550.0

A P P E N D I X

Minority Opinion

Board of Directors - Chair (Section 5.4)

A minority opinion of the Interim Board favours a single chair elected from among those Directors appointed to the Board, believing that co-chairs do not support the spirit of cooperation as outlined in the mission and will contribute to accenting the differences between the major partners.